

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1638-01  
Bill No.: HB 763  
Subject: Education, Elementary and Secondary: Expenditure Ratios  
Type: Original  
Date: March 5, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the State Board of Education could require as many as 6 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$369 for FY 2002. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of the Department of Elementary and Secondary Education stated that staff time to develop a rule and follow the rule through the rulemaking process would be done with existing resources. They noted that the proposal would not affect the cost to fully fund the Foundation Formula.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002	FY 2003	FY 2004
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### **SCHOOL DISTRICTS**

<u>Savings</u> - Avoided Penalties	Unknown	Unknown	\$0
<b>ESTIMATED NET EFFECT ON SCHOOL DISTRICTS</b>	<u>Unknown</u>	<u>Unknown</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

This proposal would eliminate penalties against school districts which were out of compliance with requirements of 165.016 concerning percentage of district funds to be spent on salaries of certificated staff if the reason for noncompliance is an increase in district utility costs of twenty-five percent (25%) or more. The proposal would affect 165.016 compliance calculations for the 2000-2001 and 2001-2002 school years.

This proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

### SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Secretary of State



Jeanne Jarrett, CPA  
Director  
March 5, 2001